

Businesses across Long Island suffer losses due to power outages; SBA loans can help businesses recover

Sayville, NY – On Thursday, Rep Steve Israel (D – Huntington) joined with small business owners, including Lynne Dougherty, the owner of Cornucopia Health Foods, a small business that's spent days without power and lost much of their stock, to call for FEMA to expedite approval of Small Business Administration (SBA) disaster loan assistance to help Long Island businesses recover from Hurricane Irene.

"Heading into the Labor Day holiday weekend, our small businesses should be booming. Instead, many are struggling to recover from days without power in the wake of Hurricane Irene," said Rep. Israel. "We need FEMA to expedite SBA aid to Long Island so that our businesses will know that they have low-interest loan options to help get them back on their feet."

Dougherty was without power for several days and estimates her business lost thousands in food. The Long Island Association has said that the storm will be very costly for Long Island. Governor Andrew Cuomo estimated the storm damage could cost New York \$1 billion. Some businesses suffered physical damage, while other locations, such as the entire Walt Whitman Mall, had to close because of power outages.

"Long Island businesses will be feeling the effects of Hurricane Irene for a long time to come. SBA assistance could be critical to many of our small businesses and we need them to know that help is coming as soon as possible. I thank Congressman Israel for pushing FEMA to make this happen," said Kevin S. Law, President and CEO of the Long Island Association.

The SBA can offer several types of disaster loans, including Business Physical Disaster Loans and Economic Injury Disaster Loans. Long Island businesses hurt by extended power outages would be most likely to take advantage of Economic Injury Disaster Loans, which is a low interest loan (cannot exceed 4 percent) up to \$2 million that helps businesses meet financial

obligations in the wake of a disaster.

Rep. Israel sent a letter to Federal Emergency Management Agency (FEMA) Administrator Craig Fugate asking for the immediate approval of SBA assistance for Long Islanders.

In order for the SBA to provide assistance to Long Island, FEMA must amend and add Nassau and Suffolk Counties to the major disaster declaration. Nassau and Suffolk Counties are currently approved for public assistance, but not for individual or economic injury assistance. Governor Cuomo asked for Nassau and Suffolk counties to be included for individual and SBA assistance in his request to FEMA.